



Committee and date  
Place Overview Scrutiny  
Committee – 7<sup>th</sup> December 2017

Item No  
**6**

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## **Apprenticeship Levy: “Upskill Shropshire”**

### **Summary**

This report provides an update on the work relating to the Apprenticeship Levy, which came into force from 6 April 2017 and follows on from the first report presented to the Growth and Prosperity Scrutiny Committee on 31 October 2016

### **Recommendations**

1. Scrutiny Committee are asked to note the contents of this report and the work undertaken in response to the introduction of the Apprenticeship Levy.

## **REPORT**

### **1. Background**

This report provides an update on the work that has been undertaken in relation to the Apprenticeship Levy, which came into effect on 6 April 2017, to ensure that the council maximises the use of the levy. The Levy is at a rate of 0.5% of the paybill and applies to organisations with a paybill of more than £3m per year. It is to be used for apprenticeship training and assessment.

“Upskill Shropshire” (the brand name) is governed by a Board with the Director of Place & Enterprise as Chair and representatives from all service areas across the council including schools.

Work commenced in the summer of 2016 to prepare for the levy which included procurement of providers to a framework, communication events, creating an application and selection process and creating a commercial offer which this report provides further detail on. It also outlines current performance, plans for the future to increase the number of apprentices within the council and work to support and collaborate with other organisations in Shropshire.

### **2. Progress Update**

#### **2.1 Procurement**

In line with contract rules, we undertook a procurement exercise to engage Providers onto a Framework for Apprenticeship Training and have successfully engaged with 15 Providers (out of 19 that applied).

The Providers we have on our Framework are listed below:

County Training (part of Herefordshire and Ludlow College)  
 Enabling Development Opportunities Ltd  
 Entrust Support Services Limited  
 In-Comm Business & Training Services Limited  
 Lifetime Health and Fitness  
 New College Telford (now Telford College)  
 North Shropshire College  
 PeoplePlus Ltd  
 Phoenix Training Services (Midlands) Limited  
 PM Training  
 SBC Training Ltd  
 Shrewsbury Colleges Group  
 Smart Training and Recruitment Ltd  
 University of Chester  
 University of Wolverhampton

We have split the 600+ apprenticeship standards and frameworks available into 24 different categories listed below and have providers for each of the categories (up to a maximum of 5 providers for each category). The providers are a mix of both local and national and offer flexibility in the way they will deliver apprenticeships to meet the needs of the organisation as well as working with us to develop apprenticeships for the future:

Administration	Health and equality
Adult Social Care	Health and Safety
Agriculture, Horticulture, Animal Care and Groundsmanship	Housing
Arts, Events and Production	HR
Cleaning, Estates and Facilities	IT, Media, Communications and Marketing
Coaching, Leadership, Management and Projects	Leisure
Compliance and Legal	Manufacturing and Warehousing
Construction, Planning and the Built Environment	Public and Emergency Services
Customer Services	Retail and Enterprise
Driving and Vehicle Maintenance	Security
Finance	Teaching and Learning
Food and Drink (hospitality)	Youth, Children and early years

Being on the Framework does not guarantee work – when there is a requirement for an apprenticeship in a particular category there is mini-competition to determine the most appropriate provider. Mini-competition is assessed at the Upskill Board and the provider confirmed. If, following mini-competition, there is no suitable provider able to provide the required apprenticeship need then we have the ability to go direct to the National Register to find a suitable provider.

## 2.2 Communications

Communications and engagement with managers and staff started back in the autumn of 2016 with the formation of the Project Board and the Service Representatives cascading information back to the service areas. Staff Newsletters regularly provide information about Upskill Shropshire for staff.

In preparation for launch in April 2017, a series of events were held for staff where Providers on our Framework were invited to talk to staff about the specific apprenticeships they can offer.

Workshops were also held for Head Teachers and Business Managers in schools across the county.

Presentations have also taken place at the Chamber of Commerce Patrons Event in March and the Shropshire Business Board in July 2017.

Events are planned throughout for the remainder of 2017 and throughout 2018 to increase awareness of the benefits of undertaking an apprenticeship for individuals and the organisation.

### **2.3 Branding**

Throughout the life of this project it became apparent that there are a lot of myths about apprenticeships for example, they are only for young, new recruits and are for low-level roles. As part of the communications we have tried to dispel some of these and focus on the fact that they can be used for the existing workforce, for any age of individual and that they can be equivalent to a Masters degree level. It was also important to emphasise that this will not only benefit Shropshire Council staff, but the community as a whole as we are able to support local organisations in using apprenticeships to upskill the workforce.

With this in mind, the brand of "Upskill Shropshire" was agreed and was felt to capture this message, deliberately not using the word 'apprenticeships' as this is the vehicle to get us to the outcome. All correspondence used makes reference to the fact that Upskill Shropshire is a part of Shropshire Council and not trading as a separate entity.

### **2.4 Application & Selection Process**

All guidance for staff and information is hosted on the Intranet with guidance, eligibility criteria and additional information to support employees making decisions on whether an apprenticeship is right for them. The application process for an employee is electronic and requires a declaration that the application has support of the line manager.

Once received the applications are vetted to ensure that eligibility criteria is met and then passed to the relevant service area Directorate Management Team (via the HR Business Partner) for decision. Consideration is given to whether the apprenticeship is relevant to the role the individual is in and the benefit it will bring to the organisation. For schools, there is a Schools Selection Panel with representation from across our schools to decide on whether the application should be approved.

Once approved by the DMT or Schools Panel, the providers on the framework for the relevant category are contacted and invited to quote for delivery of the training. Once quotes are received these then go forward to the Upskill Board Selection Panel to undertake a review and final selection of provider(s).

## 2.5 Performance – take up of apprenticeships

Targets have been set by Directors for non-schools, in line with the government target of 2.3% by 2020, as follows:

2017/18		2018/19		2019/20	
%Target	Number	%Target	Number	%Target	Number
1.5%	51	2%	68	2.3%	79

### April to September 2017 Performance:

Performance was reported to the Upskill Board in October and shows good progress against the targets set.

	Corporate	Schools
Number of Apprenticeship Applications	22	25
Levy Monies committed to date	£146,000	£39,500
Levy Monies forecast available 2017/18	£334,180	£273,010

Performance Measures also include equality information, provider performance and commercial performance.

## 2.6 Commercial Opportunities

We have undertaken commercial activity to generate income by offering levy and non-levy paying employers' support in using apprenticeships and how to maximise the use of the levy. The offer includes:

- **Access to Shropshire Council's Framework of Providers** – *vetted for their quality of provision, track record, flexibility in offer and interest in supporting Shropshire as a whole.*
- **Matching Service** – *similar to the council's application and selection process, offering a full matching service of need and provision from our framework of providers.*
- **upskill@shropshire.gov.uk** – *contacting us for advice/guidance on how the new rules around apprenticeships will work and signposting to useful information.*

We already have two Local Authorities signed up to using our framework and we have a number of discussions ongoing with both public and private sector organisations interested in our offer.

## 3.0 Strategy & Priorities for the Future

The Apprenticeship Levy is significant for the council at approximately £600k per year which will be taken out and held to draw down for training. It is important that we align this with the Workforce Strategy and identify priorities to maximise the use. Corporate objectives include providing opportunities for our Looked After Children (LAC), clients with learning difficulties (part of a national Pacesetter project) and supporting Managers and Leaders within the organisation. Directorate Management Teams have been drafting Workforce Plans which identify the future skills required of the workforce and using the apprenticeship levy to fund this where possible.

The Council has joined the national Apprenticeship Diversity Champions Network which commits to making a change to the diversity and inclusion of apprenticeships both internally and externally, improving social mobility while building a skilled, diverse workforce.

Further work is taking place with members of the Business Board to look at enhancing the reputation of apprenticeships and targeting skills development for the benefit of the county. We await further information from the Education & Skills Funding Agency (ESFA) on the ability to use 10% of our levy pot for other organisations in our supply chain from 2018, particularly if we are unable to use all of our levy pot within the allocated time.

#### **4.0 Summary and Next Steps**

A lot of work has been undertaken by the Board and Project Group since autumn 2016, which places Shropshire Council in a strong position to maximise the use of the levy pot, with performance so far showing good progress. However, information on the opportunities this presents needs to be regularly communicated in different ways if we are to engage the workforce about the benefits to them and the organisation as a whole.

<b>List of background papers (This MUST be completed for all reports but does not include items containing exempt or confidential information) – None</b>
<b>Cabinet Member (Portfolio Holders)</b>  <b>Councillor Steve Charmley – Portfolio holder for Resources and Support</b> <b>Councillor Nic Laurens – Portfolio holder for Economic Growth</b>
<b>Local Member</b> <b>All local members</b>